

STATE OF UTAH  
OFFICE OF THE STATE AUDITOR



January 28, 2013

Honorable Wayne Niederhauser  
President  
Utah State Senate  
350 North State Street, Suite 320  
Salt Lake City, UT 84114-0115

Honorable Rebecca D. Lockhart  
Speaker of the House  
House of Representatives  
350 North State Street, Suite 350  
Salt Lake City, UT 84114-0116

Re: State Vehicle Usage Policy

Dear President Niederhauser & Speaker Lockhart:

Pursuant to Utah Code § 67-22-1(2), constitutional officers are entitled to a vehicle "for official and personal use." The current program lacks transparency in total compensation, or even that the program exists. Also, this open-ended benefit of taxpayer-funded vehicles can place taxpayers at financial risk. There are no statutory limitations on: (1) vehicle make, model or class; (2) type of usage; or (3) miles driven and costs incurred. Technically, there are no restrictions to a constitutional officer requesting a high-end luxury vehicle (such as a Jaguar as was reportedly done by former Attorney General Phil Hansen), using that vehicle for private business activities, political campaigning, and having the vehicle frequently replaced based upon high mileage associated with personal or private business use. It is my understanding that companies in the private sector have been moving away from this type of compensation benefit, instead choosing to either eliminate the program or to provide a flat car allowance.

As such, I would suggest the Legislature and others reconsider the scope of this compensation benefit. I would offer the following suggestions:

1. Consider eliminating the vehicle program as a form of compensation;
2. Consider eliminating the vehicle usage for personal and commuting use, with a offsetting salary increased, if deemed truly necessary; or

3. Consider providing a flat amount for a car allowance in lieu of the current policy of providing a vehicle;
4. If a vehicle is still provided, require that campaign usage should either be prohibited or that the State should be reimbursed for campaign usage at a customary, predetermined rate (for example, the allowable IRS standard mileage rate which is currently \$0.565/mile).

My concern is the wise use of taxpayer funds in a manner that is readily understood by the taxpayer and caps taxpayer liability. The current system fails on all counts. The Legislature should also reassess the current vehicle program as it relates to other state officials as well.

Sincerely,



John Dougall  
Utah State Auditor